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7 CITY OF GRAND RAPIDS GENERAL
8 RETIREMENT SYSTEM, et al.,
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10 Plaintiffs,

11 v.
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13 BAYER AKTIENGESELLSCHAFT, et al.,
14 Defendants.

15 Case No. 20-cv-04737-RS

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**ORDER GRANTING UNOPPOSED
MOTION FOR APPOINTMENT AS
LEAD PLAINTIFF**

25 Plaintiffs Sheet Metal Workers National Pension Fund and International Brotherhood of
26 Teamsters Local No. 710 Pension Fund (together, the “Pension Fund Investors”) move for
27 appointment as Lead Plaintiff and approval of their selection of Class Counsel pursuant to the
28 Private Securities Litigation Reform Act (“PSLRA”). 15 U.S.C. § 78u-4(a)(3)(B). Originally, two
other groups of Plaintiffs sought appointment: (1) the City of Grand Rapids General Retirement
System and City of Grand Rapids Police & Fire Retirement System (together, the “Grand Rapids
Fund”); (2) the Ohio Carpenters Pension Fund and the Greater Pennsylvania Carpenters’ Pension
Fund (together, the “Carpenters Fund”). The former coalition has withdrawn its motion and the
latter has filed a notice of non-opposition. As a result, the Pension Fund Investors’ motion is
unopposed.

25 The PSLRA directs courts to appoint the “most adequate plaintiff” to serve as Lead
26 Plaintiff. 15 U.S.C. § 78u-4(a)(3)(B)(i). There exists a rebuttable presumption that the “most
27 adequate plaintiff” is the person or group of persons having the largest financial interest in the
28 relief sought who can otherwise make a *prima facie* showing of typicality and adequacy, as

1 required by Federal Rule of Civil Procedure 23. 15 U.S.C. § 78u-4(a)(3)(B)(iii)(I); *In re*
2 *Cavanaugh*, 306 F.3d 726, 730 – 31 (9th Cir. 2002).

3 The Pension Fund Investors have shown, and the other coalitions agree, that they have the
4 largest financial interest. Though the Ninth Circuit has not endorsed a specific method for
5 calculating financial interest, district courts are directed to apply accounting methods that are
6 “rational and consistently applied.” *In re Cavanaugh*, 306 F.3d at 730 n.4. The Pension Fund
7 Investors urge calculation of the relevant financial interests based on the losses suffered. This
8 method requires courts to consider four factors, the most important of which is the “approximate
9 losses suffered during the class period.” *Tollen v. Geron Corp.*, 2020 WL 2494570, at *2 (N.D.
10 Cal. May 14, 2020). The Pension Fund Investors incurred nearly \$3.9 million in losses; the
11 Carpenters Fund claims approximately \$1.5 million in losses and the Grand Rapids Fund claims
12 under a million dollars. Even individually, each member of the Pension Fund Investors reports
13 losses in excess of the total losses of the Carpenters Fund and Grand Rapids Funds. The Sheet
14 Metal Workers National Pension Fund claims about \$2.2 million and the International
15 Brotherhood of Teamsters Local No. 710 Pension Fund claims over \$1.6 million in losses.
16 Therefore, the Pension Fund Investors have the largest financial interest.

17 The Pension Fund Investors have also shown that they satisfy the Rule 23 requirements of
18 typicality and adequacy. The typicality requirement is satisfied when the presumptive Lead
19 Plaintiff and absent class members have suffered the same injuries as a result of the same conduct
20 by the defendants. *Hanon v Dataproducts Corp.*, 976 F.2d 497, 508 (9th Cir. 1992). Because all
21 class members, including the Pension Fund Investors, suffered as a result of their purchase of
22 Bayer American Depository Receipts at prices that are alleged to have been artificially inflated,
23 the typicality requirement is satisfied. Rule 23’s adequacy requirement contemplates two key
24 questions: (1) Do conflicts exist within the class? and (2) Will plaintiff’s counsel vigorously fulfill
25 their duties to the class? *Ellis v. Costco Wholesale Corp.*, 657 F.3d 970, 985 (9th Cir. 2011). No
26 conflicts appear to be brewing; the Pension Fund Investors emphasize alignment with the interests
27 of absent class members. The Pension Fund Investors also assert, due to their significant financial

1 losses, that they are highly incentivized to represent the interests of the class vigorously. While the
2 Pension Fund Investors are, technically, two separate, sophisticated investors, they have declared
3 that they intend to work collaboratively as a cohesive unit to achieve the best results for the class.
4 See ECF 24-3 (Joint Decl., Lavallee Decl., Ex. C) (electing to collaborate in order to “gain the
5 advantages of joint decision-making, collective resources, and to provide the Class with broad
6 representation.”). Consequently, the Pension Fund Investors have satisfied the adequacy
7 requirement.

8 Finally, “[t]he most adequate plaintiff shall, subject to the approval of the court, select and
9 retain counsel to represent the class.” 15 U.S.C. § 78u-4(a)(3)(B)(v). In light of both firms’
10 significant experience litigating securities fraud actions, and their routine appointment as Lead
11 Counsel by courts in this District, the Pension Fund Investors’ selection of Cohen Milstein Sellers
12 & Toll PLLC as Lead Counsel and Berman Tabacco as Liaison Counsel on behalf of the class is
13 approved.

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15 **IT IS SO ORDERED.**

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17 Dated: October 21, 2020

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19 RICHARD SEEBORG
20 United States District Judge

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